

## **Statewide Program Management Group (SPMG) FAQ's**

### **What does SPMG stand for?**

SPMG stands for Statewide Program Management Group.

### **What is the SPMG?**

The SPMG is a consortium of leading consulting firms in the transportation industry who were selected by WSDOT via RFP in the fall of 2005 to assist the agency in delivering our \$15 billion capital construction program.

### **Why do we need the SPMG?**

To ensure delivery of a program of this size, WSDOT visited other states faced with similar challenges and learned that “business-as-usual” will not get this program delivered. Experts across the country advised the agency to develop a strategic plan for delivery and then dedicate the necessary resources to implement the plan. In consultation with agency staff and our stakeholders, the SPMG Team developed WSDOT’s Strategic Delivery Plan. Over the coming months they will be supporting us as we implement the recommended strategies.

### **Why is this needed when WSDOT has already been delivering?**

WSDOT has historically delivered much smaller programs than the one we’re faced with in the coming years. Some estimates indicate that we need to double our existing staff level to deliver the current program. Given the agency’s estimated inability to recruit needed state and consultant workforce, the likelihood of staffing up to required levels is doubtful. Making the most of the workforce we have will be essential. We have learned that there are project management, control and reporting best practices in use worldwide that can help us be much more efficient and reduce costs and risks as we deliver this program. The SPMG Team is expert in implementation of these practices and systems and can support the agency as we move forward.

### **Is PS8 going to be replaced? If so, with what?**

PS8 is currently used to develop project schedules. The SPMG has identified the need for a suite of tools that support project management activities such as cost management and document management in addition to schedule development. Based on the requirements of the agency and the decision to implement industry best practices, the SPMG intends to put together an RFP to select a suite of tools that cover all these business functions and that will work well together. Any product can compete via this RFP process, including PS8. The selection will depend on how well each product in the suite meets the agency’s business needs and how well the products can be integrated. Cost and compatibility with WSDOT technical environment will also be a factors in the selection process.

### **Why aren’t the legacy systems being replaced?**

Ultimately the legacy systems will be replaced. The Project Management and Reporting system (PMRS) developed via the RFP mentioned above will build on the functionality now available in PDIS. Once the needs for project management, control and reporting are

addressed by completion of this project, the SPMG Team will assess those functions in other legacy systems that might be replaced by activating additional functions/modules available in the suite of tools acquired for the new system. SPMG will make recommendations to WSDOT regarding replacing all or part of other legacy systems with these products at that time.

**How much is the SPMG costing and where are the dollars coming from?**

Total cost of PMRS development is estimated to be \$15.9M. Funding for the project has been approved for the 05-07 biennium.

**How long will the SPMG be here?**

SPMG staff has been contracted to support WSDOT over the next 5 years. WSDOT has chosen to maintain a “strong ownership role” in delivering the program. The goal is to maintain WSDOT’s core expertise and technical capabilities and to develop future project managers and team leaders through on the job training and by working in partnership with industry experts on challenging projects. As SPMG staff is able to transfer their knowledge and skills to agency staff, they will transition out of the agency.

**What is being done to train existing workforce in the culture?**

One of the primary tasks in implementing the SPMG strategic plan is to develop a Project Management Academy. The academy will be developed by a consultant who has 40 years of experience in the project management field and is a past president of PMI. WSDOT staff who complete this training will receive certification. The completion of this training will be a required step in the career ladder to management of the agency’s largest projects.

**Who should attend the project management academy? Who will benefit and why?**

Anyone who is managing a capital construction project or who is on a career path to become a project manager will benefit from this training.

**Who will decide what will be implemented out of the Phase 1 strategic plan?**

Decisions about how the SPMG proceeds are governed by an Executive Oversight Committee that includes Paula Hammond, John Conrad, Don Nelson, all of the RA’s and other agency executives. This group will continue to provide oversight for implementation of the SPMG Strategic Plan.

**What is “earned value”?**

Earned value is a method which measures project performance by comparing work completed against work planned (at a given date in the project schedule).

Detail:

Earned value is an established management technique which relates resource planning to schedules, and to technical cost and schedule requirements. It is sometimes required to be used in commercial and government projects. EVM allows a better understanding of **project progress** than simply looking at tasks accomplished

Under EVM, work is planned, budgeted, and scheduled in time-phased "planned value" increments, constituting a cost and a schedule measurement baseline.

There are two major objectives of an earned value system:

- Encourage contractors (and others) in the use of effective internal cost and schedule management control systems;

Permit the customer(s) to be able to rely on timely data as produced by those systems for determining product-oriented contract status

**Are project managers going to be required to manage using earned value?**

Yes, the intention is to use it on all projects. Earned value is scalable to the size of the project and is helpful for monitoring progress and for reporting. Using the same tools(system) for all agency project will also facilitate agency level control and reporting.

**Does this mean PDIS didn't work?**

No. PDIS is an excellent building block that will be used as the foundation for moving to the next level of tool for supporting project management. The project management procedures, training and the master deliverables list, among other things, will be of great help as we move forward.

**Is all this really needed statewide when the real Mt Rainer program is only in the NW and OLY Regions?**

Industry best practices have value regardless of the size of the project or the program. The effort to manage with the tools must be scaled to be cost-effective, based on the size of the project, but they can help WSDOT save money and avert risk on even the smallest job.

**If the department starts switching positions to not requiring a PE license, will work experience of young engineers working for these non-PE managers going to count towards their experience needed to take their PE exam?**

The Department will evaluate positions appropriate for non-engineering classifications that do not impede the ability of our new engineers from obtaining their PE license.

**What if we don't get the "flexibility" we need in our operational environment?**

A lack of flexibility in managing the program results in less nimble responses to problems and opportunities. Consequently, the agency will have a reduced delivery capability and be less responsive when changes need to be made quickly.

**It's hard to compete in a market where engineers are scarce. How are we going to address this?**

This presents a tough challenge for the agency. SPMG has emphasized using industry best practices and obtaining the right tools and training to optimize the effectiveness of the workforce we are able to muster. The following recommendations are included in the SPMG Strategic Delivery Plan:

- Maximize the use of existing resources by clarifying core competencies and offering incentives.
- Expand recruitment and staffing to the national level with an emphasis on selling the state program to attract needed skills. Optimize recruitment and retention by becoming the “Employer of Choice”.
- Incentivize the contract of major project General Engineering Consultants to emphasize efficient delivery and transparent accountability.

**What about cost escalations (materials, people, logistics) - what will be the impact on construction projects?**

The price of construction projects is rising due to factors outside WSDOT’s control. The agency will have to continue to educate external stakeholders and set realistic expectations to ensure an understanding of the drivers behind these unavoidable increases.

**On the deployment chart, there is no mention of workforce initiatives or seeking legislative change. Should these be added to the timeline?**

The “Project Management and Reporting System Systems Development and Deployment Plan” shows activities for the computer system development only. A work plan will be developed to manage the entire spectrum of activities required to implement all the high priority recommendations in the Strategic Delivery Plan.

**How is this going to impact agency-wide document management processes and systems?**

An Enterprise Content Management System will be acquired as part of the Project Management and Reporting System development. This should result in improved document management for Project Offices and should support improved document management in other areas of the agency.